



***United States Attorney
Southern District of New York***

FOR IMMEDIATE RELEASE
JANUARY 23, 2003

CONTACT: U.S. ATTORNEY'S OFFICE
MARVIN SMILON, HERBERT HADAD,
MICHAEL KULSTAD
PUBLIC INFORMATION OFFICE
(212) 637-2600

**BRITON WHO STOLE 9/11 FUNDS SENTENCED TO 6 MONTHS
IN FEDERAL PRISON AND FACES DEPORTATION**

DAVID N. KELLEY, the United States Attorney for the Southern District of New York, announced that ALLAN KLEIN, a 30-year-old British citizen, was sentenced yesterday in Manhattan federal court to six months in prison on charges that he defrauded the Lower Manhattan Development Corporation and the U.S. Department of Housing and Urban Development ("HUD") of federal grant money made available after the September 11, 2001, terrorist attacks to assist in the revitalization of Lower Manhattan.

United States District Judge RICHARD CONWAY CASEY imposed the sentence and further directed that the Department of Homeland Security's Bureau of Immigration and Customs Enforcement begin the process necessary to deport KLEIN.

As the Complaint filed in the case explains, the Lower Manhattan Development Corporation ("LMDC") was created by the

State and City of New York after the September 11, 2001, terrorist attacks to coordinate the rebuilding and revitalization of Lower Manhattan, defined as the area south of Houston Street. To further this goal, the LMDC received HUD grant money to fund the Two-Year Commitment-Based Grant program, which provides money to eligible individuals who make a two-year commitment to live in one of two designated zones in Lower Manhattan.

According to the charges filed in the case, statements made in court, and KLEIN's guilty plea, in September 2002, KLEIN submitted an application to the LMDC to obtain money under the Two-Year Commitment-Based Grant, certifying that he currently lived and intended to live at 71 Broadway in lower Manhattan for two years. LMDC approved KLEIN's application, which made KLEIN eligible to receive a total of \$12,000 in grant money over the two-year period he promised to live at 71 Broadway.

Within months of applying for the LMDC funds, according to the charges filed in the case, statements made in court, and KLEIN's guilty plea, KLEIN left his residence at 71 Broadway and moved to Florida. In a visit to the LMDC offices, and in repeated phone calls until his arrest in July 2003, however, KLEIN continued to seek grant money under the Two-Year Commitment Based Program by falsely representing that he still lived at 71 Broadway. KLEIN was arrested in July 2003 after picking up a check for \$5,000 of LMDC grant funds, and charged

with theft of government property and mail fraud. KLEIN pled guilty to these charges in September 2003.

Mr. KELLEY praised the investigative efforts of the Lower Manhattan Development Corporation, the Office of the Inspector General for the United States Department of Housing and Urban Development, and the United States Postal Inspection Service.

Assistant United States Attorney JOAN LOUGHNANE is in charge of the prosecution.

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